



Cook County, Illinois

Substantial Amendment to the 2010 Annual Action Plan

Jurisdiction:	Cook County, Illinois Department of Planning and Development (DPD)	NSP3 Contact Person:	Jennifer Miller, Program Manager
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Cook County proposes the following amendment to the 2010 Annual Action Plan in order to satisfy the application requirements to receive a Neighborhood Stabilization Program 3 allocation (NSP 3) of funds from the U.S. Department of Housing and Urban Development (HUD) as authorized under Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act). The purpose of NSP 3 is to continue the work as promulgated by NSP 1 and to provide unified program implementation for grantees of the two formula grant programs of NSP 1 and NSP 3. NSP 3 funds are also intended to stabilize a neighborhood whose viability has been, and continues to be, damaged by the economic effects of properties that have been foreclosed upon and abandoned.

The Cook County Department of Planning and Development (DPD) has been allocated \$7,776,324 in NSP 3 funding by HUD. NSP 3 funds are to be used to stabilize neighborhoods that have been determined to have a high individual or average combined index score for Cook County's identified target geography that is not less than a score of 17 as determined by the HUD Foreclosure Need web site which provides an estimate of foreclosure need and foreclosure related needs scores at the census tract Level. Cook County will use this HUD-developed data to determine and give priority emphasis to municipalities with greatest need. Cook County plans to enter into NSP agreements with viable organizations to coordinate NSP activities and implementation of stabilization strategies, as well as leveraging existing CDBG and HOME projects underway in targeted neighborhoods, as appropriate.

2. Areas of Greatest Need

Provide summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction. The neighborhood or neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. HUD will provide the minimum threshold for each state at its website at www.hud.gov/nsp. If more than one neighborhood is identified in the Action Plan, HUD will average the neighborhood NSP3 scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Response:

The areas of greatest need for targeting NSP3 funds were determined by reviewing the HUD developed minimum foreclosure need and foreclosure related needs threshold score at the Census Tract Block Group level of 17 in the 127 Cook County municipalities. The 48 municipalities listed in the Table 1 below, ranked by geographic region, are the areas of greatest need based on a minimum score of 17.

Additionally, the County has gone on further to define its targeted area to include communities that would be impacted by the limited resources that the County has for deployment with the NSP 3 funds. The County is proposing to acquire, rehabilitate, and resell a maximum of three properties on one block.

Priority emphasis will be given to community areas that have a minimum score of 17, that had posted significant housing sales and activity pre-foreclosure crisis and areas in which, the limited dollars can be shown to have a greatest impact with their distribution. To that end, the County will be focusing resources in areas that had not previously demonstrated high foreclosure rates. These community areas have grown and expanded to include areas, outside the County's traditional low-income designated areas, reaching into, what was once categorized as solidly middle/working class communities. A significant number of these communities are located in the Western planning region and are among those that have seen huge increases in the numbers of foreclosure in the last 2 to 3 years. The County has decided to target communities in this region that have foreclosure scores that are at 19 and 20. There are at least four communities in the West Region that meet this minimum threshold.

Along with those areas, the County will be addressing community areas that have been suffering the effects of high foreclosure rates, that were initially caused as a result of the a high incidence of homes financed by subprime mortgages but has continued and began to affect the conventional housing finance mortgages. This area of the County is located in the South planning region of the County. Previously, these communities had managed to see high sales volumes and appreciating values. In spite of being surrounding by communities that were hit by the first wave of high foreclosures, these communities also have suffered from chronic under-employment and high unemployment rates. While the communities are not contiguous, their foreclosure numbers mirror one another. One common trait among these communities is that they border on at least one side, with a low-income community area. There are ten community areas in the South Planning region with a foreclosure score of at least 19. Out of these ten communities, five of them were recently added to the County's areas of greatest need.

TABLE 1: Municipalities with a Foreclosure Needs Scores of 17 and above.

[illegible]

3. Definitions and Descriptions

There are some definitions and descriptions that must be included in the NSP3 Action Plan. These definitions and descriptions are to be determined by the grantee and applied to all properties assisted with NSP3 funds. Listed below are the terms that must be defined in your NSP3 Action Plan.

- **Blighted Structures:** Most states and localities have official statutes or regulations that define “blighted” structure for that jurisdiction. If there is no definition of “blighted structure” to be found in state or local law, grantees must determine an alternate definition and apply it consistently throughout the NSP3 program. Under NSP, structures must be “blighted” to qualify for demolition, which is why defining the term is so important for NSP grantees.

Response:

A “*blighted structure*” is any structure unfit for use, habitation, or dangerous to persons or other property. In addition, a structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare. This includes structures showing evidence of physical decay or neglect, excessive use, or lack of maintenance. Characteristics may also include any nuisance conditions including but not limited to:

Any “Nuisance” as defined by law, or

(a) Any residential property that poses a public nuisance which may be detrimental to the health or safety of children whether in a building, on the premises of a building, or upon an unoccupied lot. This includes, but is not limited to: abandoned wells, shafts, basements, excavations, unclean swimming pools or spas, abandoned iceboxes, refrigerators, motor vehicles, and any structurally unsound fences or structures, lumber, trash, fences, or debris which may prove a hazard for inquisitive minors;

(b) Unsanitary conditions or anything offensive to the senses or dangerous to health including, but not limited to, the emission of odors, sewage, human waste, liquids, gases, dust, smoke, vibration or noise, or whatever may render air, food, or drink detrimental to the health of human beings;

(c) Physical conditions such as, but not limited to, old, dilapidated, abandoned: scrap or metal, paper, building materials and equipment, bottles, glass, appliances, furniture, rags, rubber, motor vehicles, and parts thereof; or

(d) Physical conditions posing fire hazards,

(e) Physical conditions posing a hazard such as but not limited to dead or damaged trees.

- **Affordable Rents:** Grantees may use the definition adopted for their CDBG or HOME programs but should carefully review their existing definition to ensure compliance with NSP and its specific requirements including continued affordability. HOME program standards can be used as a safe harbor, but if an alternative standard is applied it must be equal to or exceed the HOME standard.

Response:

For the purposes of the NSP Program, Cook County will establish three definitions of “*Affordable rents*” to determine the maximum allowable rent for NSP-assisted units. These rent levels include utilities. If the tenant pays utilities, a utility allowance must be subtracted from the maximum allowable rent to determine the maximum contract rent. Utility allowances shall be calculated as they are currently calculated for Cook County HOME Rental Housing projects. The County will review and approve the rents charged on an annual basis. The rent limits shall be updated by HUD on an annual basis, and distributed by Cook County to all owners and property managers.

- **Low Income (Set-aside):** For NSP-assisted units designated as set-aside units (those occupied by households earning less than 50% of the area median income), rents shall not exceed the limits established by the HOME Investment Partnerships Program for very low-income families (24 CFR Part 92.252(b)), otherwise known as “low HOME rents”.
- **Moderate Income:** For NSP-assisted units occupied by households earning between 51 and 80% of the area median income, rents shall not exceed the maximum limits established by the HOME Investment Partnerships Program (24 CFR Part 92.252(a)), otherwise known as “high HOME rents”.
- **Middle Income:** For NSP-assisted units occupied by households earning between 81 and 120% of the area median income, rents shall not exceed 110% of Fair Market Rents (FMR) for comparable units in the area as established by HUD under 24 CFR 888.111.

Income Level	% AMI	Size of Unit by Bedroom Count						
		Efficiency	1	2	3	4	5	6
Low (Set-aside)	0 - 50%	660	706	848	980	1,093	1,206	1,319
Moderate	51 - 80%	781	893	1,004	1,226	1,364	1,486	1,609
Middle	81 - 120%	859	982	1,104	1,349	1,524	1,752	1,981

- **Ensuring Continued Affordability:** Under NSP, all grantees are required to adopt a definition of continued affordability that at a minimum is at least as strict as the HOME program standards at 24 CFR 92.252(a), (c), (e), and (f), and 92.254. HOME program standards can be used as a safe harbor, but if an alternative standard is applied it must be equal to or exceed the HOME standard.

Response:

All NSP-assisted housing units will be subject to the following minimum affordability restrictions. The affordability period is determined on the amount of NSP Program assistance on a per unit basis. For the units that undergo reconstruction (replacement of an existing unit with a new, comparable unit), the affordability period will be 20 years.

- Under \$15,000 = 5 Years
- \$15,000 - \$40,000 = 10 Years
- Over \$40,000 = 15 Years
- New Construction/Reconstruction = 20 Years

The County may elect to require longer affordability periods on a project by project basis subject to community need. Cook County will ensure these long term affordability restrictions through the use of a mortgage that will be recorded against the property title. If an owner who has been assisted through this program for the development of rental housing transfers title of the property before the affordability period expires, the deed restrictions related to income targeting, occupancy and property conditions will remain in full force and effect until the term of the affordability has expired.

If a homebuyer receives assistance through this program, such assistance provided by the County will be subject to recapture in the event that a transfer of title occurs, sale of the property, or failure of the homebuyer to maintain the unit as their principal residence.

The following affordability period restrictions shall apply to each NSP homebuyer assisted-unit, except as otherwise approved by COUNTY in writing:

Affordability Period, Restrictions and Recapture Provisions			
Amount of Grant or Loan	Affordability Period	Terms	Recapture Back to Cook County
Under \$15,000 per unit	Homebuyer: 5 years	Nothing is forgiven Years 1-5. 100% due back if homebuyer fails to maintain as principal residence, sells	100% due; all is forgiven after year 5

		or transfers title within first 5 years	
\$15,000 to \$39,999 per unit	Homebuyer: 10 years	Nothing is forgiven Years 1-5. 100% due back if homebuyer fails to maintain as principal residence, sells or transfers title within first 5 years. Partial forgiveness after year 5	100% due; year 1 to 5 , beginning year 6, 20% of balance is forgiven per year, all is forgiven after year 10
\$40,000 + per unit	Homebuyer: 15 years	Nothing is forgiven Years 1-10. 100% due back if homebuyer fails to maintain as principal residence, sells or transfers title within first 10 years. Partial forgiveness after year 10	100% due; year 1 to 10 , beginning year 11, 20% of balance is forgiven per year, all is forgiven after year 15

The County will establish the actual amount of the assistance originally provided to the homebuyer to be “recaptured” (repayment based on the above detailed forgiveness schedule) based on the availability of “net proceeds”. Net proceeds are hereby defined as “any amount remaining after the sale price minus any superior loan or lien repayment has been made and reasonable seller closing costs have been deducted”.

Throughout the affordability period, the County will monitor NSP-assisted rental units to ensure that the units are affordable and that the property(s) continue to meet minimum housing quality standards. For NSP-assisted homebuyer units, the County will monitor to ensure that the assisted household retains property as their principal residence.

- **Applicable Housing Rehabilitation Standards:** The rehabilitation and new construction standards that will apply for NSP-assisted projects must be included in the Action Plan. Specifically, HUD requires that:
 - All gut rehabilitation or new construction (i.e., general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes.
 - All gut rehabilitation or new construction of mid -or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy).
 - Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star-46 labeled products.
 - Water efficient toilets, showers, and faucets, such as those with the WaterSense label, must be installed.
 - Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, and fires).

HUD also encourages the adoption of energy efficient and environmentally-friendly green elements as part of NSP3 program design.

Response:

All rehabilitated properties shall, upon completion of the rehabilitation, comply with the minimum requirements of the *International Property Maintenance Code*, 2003 Edition, Chapters 2 through 8, or the corresponding chapters of the version of the Property Maintenance Code in force in the jurisdiction in which the property is located. Provisions of the Cook County housing rehabilitation standards shall supersede the Property Maintenance Code where more stringent, or protective, or in disallowance of work as ineligible. At no time shall a standard,

specification or code be permitted that is less stringent than the minimum property standard hereby adopted for Cook County's NSP Program.

- 1) The International Property Maintenance Code, 2003 (IPMC)
- 2) Applicable codes of the local jurisdiction (only if more prescriptive than the above referenced International maintenance or property codes)
- 3) Manufacturer's Standards and Installation Instructions
- 4) Residential Construction Performance Guidelines for Professional Builders and Remodelers
- 5) The Cook County Material and Workmanship Standards
- 6) Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings
- 7) Regulation on Lead-Based Paint Hazards in Federally-Owned Housing and Housing Receiving Federal Assistance, and the EPA Renovation, Repair and Painting Program Final Rule
- 8) Residential Remodeling and Universal Design: Making Homes More Comfortable and Accessible
- 9) Uniform Federal Accessibility Standards (UFAS)

Substandard dwellings that cannot be brought into compliance with the Cook County housing rehabilitation standards and applicable code requirements shall be deemed not suitable for rehabilitation and shall not be rehabilitated. If the cost of rehabilitation exceeds 50% of the appraised market value of the property, the property may be a candidate for demolition and reconstruction.

Reconstructed property shall be subject to property standards established by the Cook County NSP Program for new construction of residential units.

Each item of work conducted under the Cook County NSP Program shall contribute to one or more of the following priorities, and items that do not contribute to one or more of the following priorities shall not be done. Conditions, the addressing of which contribute to achieving the following, shall be or should be considered to be substandard conditions, depending upon their seriousness and status of compliance with the applicable codes, standards and guidelines.

PRIORITIES:

1. Meet all applicable code requirements
2. Protect health and safety of occupants and make the unit a "Healthy Home"
3. Control or eliminate lead hazards
4. Improve or maintain affordability
5. Improve comfort, livability, basic privacy and accessibility
6. Protect and extend the life expectancy of the dwelling
7. Provide critical storage, work or living space
8. Adhere to the principles of green building
9. Improve the appearance (street presence) of the property
10. Improve marketability of the property

4. Low Income Targeting

NSP3 grantees are required to allocate at least 25 percent of their NSP3 funding allocation to housing for individuals and families with incomes at or below 50 percent of the area median income. NSP grantees may rehabilitate or redevelop abandoned or foreclosed residential property and vacant or demolished residential or nonresidential property to meet this requirement. This section must:

- **Identify the estimated amount of funds appropriated or otherwise made available under the NSP 3 to be used to provide housing for individuals or families whose incomes do not exceed 50 percent of area median income:**

Provide a summary that describes the manner in which the grantee's low income targeting goals will be met.

Response:

The County estimates that \$1,944,081 in NSP funds, 25% of its allocation, will be used for the purchase and rehabilitation of units to create housing for households earning up to 50 percent of area median income. These funds will be used to create affordable rental units in the County's targeted areas.

It is anticipated that the majority of the funds set aside for households at or below 50% of AMI will be for rental housing. Any program participants proposing to do rental types of activities must have a proven track record in rental property management.

The County may provide other incentives for housing partners to assist special needs populations and who design creative mechanisms or programs to provide homeownership opportunities to low income households.

5. Acquisitions & Relocation

When a grantee or one of its partners acquires a property, there are certain tenant protection requirements that may be applicable under the Tenant Protection Act of 2009 and certain relocation requirements that may be applicable under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. For details on the circumstances that trigger these requirements and the steps that must be taken to ensure compliance, read the *NSP Tenant Protections at Foreclosure Under the Recovery Act* guidance at <http://www.hud.gov/offices/cpd/library/relocation/nsp/pdf/nsp-tenant-protection-8122010.pdf> and the *Real Estate Acquisition and Relocation Policy and Guidance* at <http://www.hud.gov/offices/cpd/library/relocation/policyandguidance/handbook1378.cfm>.

Response:

ACQUISITIONS: As part of the acquisition process of foreclosed homes, if the cost to rehabilitate the unit is greater than fifty percent (50%) of the market value, the County will evaluate the property to determine if the property is suitable for the rehabilitation.

In order to meet the federal requirement that the average purchase price of all foreclosed housing units acquired equals 1% below appraised value, all properties purchased with NSP funds will be priced at least 1% below current appraised value.

The County reasonably expects to produce and make available the following number of NSP affordable housing units to low-, moderate-, and middle-income households (i.e., $\leq 120\%$ of area median income) by activity and income level. These estimates may change based on, market conditions regarding availability of foreclosed units, the price of the properties purchased, and the households who ultimately occupy the NSP-assisted units.

It is anticipated that the acquisition process will begin in June 2011 followed by the rehabilitation as proposed for NSP projects selected throughout the year. The NSP projects will be considered completed upon: transfer of property to an eligible homeowner, when the unit is rented to an income eligible tenant, or project closeout activities have been completed. Funding for selected NSP projects are expected to be committed by November 1, 2011 and project activities must be completed by February 28, 2014.

RELOCATION: All NSP-funded acquisitions of real property that have been foreclosed upon or are vacant or abandoned, are **voluntary acquisitions** and are exempt from Section 301 of the URA. Cook County's existing policy on real property acquisition states that "regardless of funding source the County will not fund any acquisition which requires relocation"; and, to minimize displacement, "no acquisition project shall be funded which requires any business or household to be relocated from the proposed acquisition site". Cook County will notify the owner in writing of the property's market value and the discounted value offered; notify the owner prior to making an offer that it will not acquire the property if an amicable settlement cannot be reached; and will not acquire the property if tenants are displaced. The County's Residential Anti-displacement and Relocation Assistance Plan and sets forth the policy for minimizing displacement and providing relocation assistance to persons involuntarily and permanently displaced by CDBG activities; the Plan will apply by reference in the NSP agreement.

6. Public Comment

NSP3 grantees are required to follow their citizen participation process as described in the Consolidated Plan and as modified by the NSP3 Notice in order to ensure the public is aware of the NSP3 substantial amendment. Non-entitlement grantees must follow the same abbreviated citizen participation requirements as NSP3 entitlement grantees.

A grantee's proposed NSP3 Action Plan must be published and posted on the jurisdiction's website for no less than 15 calendar days for public comment. NSP3 grantees should provide a summary of all public comments in an appendix attached to the Action Plan that is submitted to HUD.

Response:

No Comments have been received at this time. Once, the 15-day comment period has ended, comments, if any will be added at that time.

7. NSP3 Information by Activity

Cook County proposes the following programs and activities to implement NSP3 initiatives and expend NSP3 funds. Cook County recognizes that projected "budget information" presented in each activity form may differ from the actual allocation of NSP3 funding levels for each activity and the distribution of funds reflected in the housing partners' NSP3 agreements as NSP3 activity processes are refined and partnerships are identified and established. Therefore, redistribution of funding levels between Activities #1 and # 2, described in this section, shall not be considered a change to this Amendment.

Cook County will solicit feedback on target properties from surrounding municipalities in support of this effort. Cook County is working to incorporate green building and energy efficiency initiatives in all NSP3 funded rehabilitation and redevelopment projects.

Cook County proposes to implement the following NSP3 programs and activities:

1. Purchase and Rehabilitation of residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties to be occupied by households with income that does not exceed 50% of area median.
2. Purchase and Rehabilitation of residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties to be occupied by households with income between 51% and 120% of area median.
3. NSP3 Planning and Administration

All NSP3 programs and activities are administered by the Department of Planning and Development (the Department). The following guidelines are proposed to implement the County NSP3 programs and activities across the Areas of Greatest Need.

- Any municipality, non-profit or developer may initiate a request for NSP3 project funding; the municipality in which the proposed project is located must approve the project request for funding.
- Project funding will be distributed on the basis of census tracts-block groups or areas of greatest need within municipalities as prioritized in Table 1 above, and/or as designated by the County through its more defined Targeted Areas.
- Project funding requests solely for the acquisition of foreclosed upon or vacant/abandoned properties will not be accepted; project funding requests must include planned disposition or use of property(s).
- Prospective homebuyers will be required to complete at least 8 hours of homebuyer counseling from a HUD-approved housing counseling agency.

- The activity descriptions below may be subject to change pending receipt and incorporation of public comments. The NSP3 funding levels (budgets) are for planning purposes and are subject to changes as projects are funded throughout the life of the NSP3 program. The County reserves the right to reallocate funding from one activity to another as additional areas of greatest needs and eligible properties are identified and such reallocation of funds from one activity to another shall not be considered a Substantial Amendment to the Action Plan.

NSP3 Budget

#	NSP3 Activity	50% & Below AMI	51-80% AMI	81-120% AMI	Total
1	Purchase & Rehabilitation 0 – 50% AMI	\$1,944,081.00			\$1,944,081.00
2	Purchase & Rehabilitation 51 – 120% AMI		\$2,527,305.30	\$2,527,305.30	\$5,054,610.60
3	Planning and Administration				\$777,632.40
4	Total	\$1,944,081.00	\$2,527,305.30	\$2,527,305.30	\$7,776,324.00

ACTIVITY #1: ***Purchase-Rehabilitation of Foreclosed and Abandoned Residential Properties serving households 0 to 50% Area Median Income***

Activity Type: NSP3 eligible use: 2301(c)(3)(B) – Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties. CDBG eligible activity: 24 CFR 570.201(a) Acquisition, (e) Public services for housing counseling, (i) Relocation, 570.202 Rehabilitation, and 570.201(b) Disposition.

National Objective: Low-Mod-Middle Income Housing (LMMH) – Provides or improves residential structures that will be occupied by a household whose income is at or below fifty percent (50%) of area median income.

Projected Start Date: March 1, 2011

Projected End Date: February 28, 2014

Responsible Organization: Cook County Department of Planning and Development
69 West Washington, Suite 2900, Chicago, IL
Contact: Jennifer Miller Phone: (312) 603-1000
Email: Jennifer.miller@cookcountyil.gov

Areas of Greatest Need Addressed: Foreclosures throughout the areas of greatest need. Specific addresses have yet to be determined. See Table 1 and Appendix B for specific census tract and block group in each municipality.

Activity Description: The County and its program participants will purchase and rehabilitate foreclosed properties in target areas. Affordability periods will be based on those of the HOME Program found at 24 CFR 92.254, however for newly constructed units, either reconstruction or infill development, the affordability period will be twenty (20) years. All NSP 3-assisted units will be rented to households earning less than 50% of the area median income. It is estimated that \$1,944,081 of these funds will be used for units occupied by households earning less than 50% of the area median income.

Total Budget: \$1,944,081

<u>Performance Measures</u>	Rental: At or below 50% income	28 units
	TOTAL	28 units

ACTIVITY #2: ***Purchase-Rehabilitation of Foreclosed and Abandoned Residential Properties serving households 51% to 120% Area Median Income***

Activity Type: NSP3 eligible use: 2301(c)(3)(B) – Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties. CDBG eligible activity: 24 CFR 570.201(a) Acquisition, (e) Public services for housing counseling, (i) Relocation, 570.202 Rehabilitation, and 570.201(b) Disposition.

National Objective: Low-Mod-Middle Income Housing (LMMH) – Provides or improves residential structures that will be occupied by a household whose income are between fifty-one percent (51%) and one hundred and twenty percent (120%) of area median income.

Projected Start Date: March 1, 2011

Projected End Date: February 28, 2014

Responsible Organization: Cook County Department of Planning and Development

Contact: Jennifer Miller Phone: (312) 603-1000

Email: Jennifer.Miller@cookcountyil.gov

Location Description: Foreclosures throughout the areas of greatest need. Specific addresses have yet to be determined. See Table 1 and Appendix B for specific census tract and block group in each municipality.

Activity Description: The County and its program participant will purchase and rehabilitate foreclosed homes and properties in target areas. Homes will be bought at a minimum discount of one percent below the appraised value. Affordability periods will be based on those of the HOME Program found at 24 CFR 92.254, however for newly constructed units, either reconstruction or infill development, the affordability period will be twenty (20) years. All NSP3-assisted units will be sold or rented to households earning between 51% and 120% of the area median income. It is estimated that \$5,054,610.60 of these funds will be used for units occupied by households under this activity.

Total Budget: \$5,054,610.60

<u>Performance Measures</u>	Rental: At or below 51-120% income	0 units
	Owner: At or below 51-120% income	25 units
	TOTAL	25 units

ACTIVITY #3:***Planning and Administration***

Activity Type: CDBG eligible activity: 24 CFR 570.206 General Planning and Administration.
National Objective: Not Applicable for Administration
Projected Start Date: March 1, 2011
Projected End Date: February 28, 2014
Responsible Organization: Cook County Department of Planning and Development
Contact: Jennifer Miller Phone: (312) 603-1000
Email: jennifer.miller@cookcountyil.gov

Location Description: Not Applicable.

Activity Description: NSP3 funds will be used to pay reasonable program administration costs related to the planning and execution of the activities listed above. This includes costs related to staffing for overall program management, coordination, monitoring, reporting, and direct and indirect charges. The County will also charge any pre-award costs incurred as part of the preparation of the Substantial Amendment to the Planning and Administration portion of the grant. All activity delivery costs such as appraisals, title searches and title insurance, environmental assessments, inspections, development fees, engineering studies and mitigation, market analysis, credit underwriting reports, and associated permits, will be charged to each individual project.

Total Budget: NSP3 Funds: \$777,632.40

Performance Measures Not Applicable

Appendix B: Areas of Greatest Need Census Tract, & Block Group

[illegible]

8. Certifications

- (1) Affirmatively furthering fair housing. The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) Anti-lobbying. The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (3) Authority of Jurisdiction. The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (4) Consistency with Plan. The housing activities to be undertaken with NSP3 funds are consistent with its consolidated plan, which means that NSP3 funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.
- (5) Acquisition and relocation. The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP3 program published by HUD.
- (6) Section 3. The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (7) Citizen Participation. The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP3 requirements.
- (8) Following Plan. The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.
- (9) Use of funds in 18 months. The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP3 Notice, all of its grant funds within 18 months of receipt of the grant.
- (10) Use NSP3 funds \leq 120 of AMI. The jurisdiction will comply with the requirement that all of the NSP3 funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income.
- (11) Assessments. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP3 funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP3 funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP3 funds if the jurisdiction certifies that it lacks NSP3 or CDBG funds to cover the assessment.
- (12) Excessive Force. The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.
- (13) Compliance with anti-discrimination laws. The NSP3 grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.
- (14) Compliance with lead-based paint procedures. The activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.
- (15) Compliance with laws. The jurisdiction will comply with applicable laws.

Signature/Authorized Official

Title

Date